

INFO	LOG-00	EEB-00	AF-00	AGRE-00	AID-00	CEA-01	CIAE-00
	COME-00	CTME-00	INL-00	DODE-00	DOEE-00	ITCE-00	DOTE-00
	EXME-00	E-00	FAAE-00	UTED-00	VCI-00	FRB-00	H-00
	TEDE-00	INR-00	LAB-01	L-00	VCIE-00	NRC-00	NSAE-00
	ISN-00	NSCE-00	OMB-00	NIMA-00	EPAU-00	GIWI-00	ISNE-00
	SP-00	SSO-00	SS-00	STR-00	TRSE-00	FMP-00	BBG-00
	EPAE-00	IIP-00	SCRS-00	DRL-00	G-00	SAS-00	FA-00
	SWCI-00	SEEE-00	/002W				

P 090622Z NOV 09
 FM AMEMBASSY KIGALI
 TO SECSTATE WASHDC PRIORITY 6409
 INFO RWANDA COLLECTIVE PRIORITY

UNCLAS KIGALI 000740

PASS TO OES

E.O. 12958: N/A
 TAGS: [EINV](#) [ENRG](#) [ECON](#) [EAGR](#) [RW](#)
 SUBJECT: RWANDA APPROVES BIOFUELS PROJECT

¶1. (U) The Government of Rwanda (GOR) on October 28 approved a U.S.private sector-sponsored \$40 million biofuels project in eastern Rwanda. American-owned Eco-Fuel Global and British-owned Eco-Fuel Positive will jointly develop 10,000 hectares of marginal land for production of jatropha and build vegetable oil extraction facilities to process jatropha oil and jatropha seed cake (used as fertilizer). Eco-Fuel Global estimates the project will produce between 4-5 million gallons of bio-fuel annually (after eight years, when the jatropha trees reach full maturity), about 10 percent of Rwanda's current diesel consumption.

¶2. (U) Minister of State for Energy Albert Butare told the press October 30, the "project is in line with the country's plan to move towards a greener economy and reduce carbon emissions." The land allocated to the project, while poor farmland, is suitable for jatropha production, he added. The proposed jatropha cultivation is labor intensive and, according to the developers, will provide sustained employment for 6,500 laborers over the 30-year life of the project.

¶3. (U) The project business plan proposes \$35-\$50 million in foreign direct investment during the first five years of the project and up to \$250 million of capital and operational investment over the life of the project. According to Eco-Fuel Global's website, jatropha is drought resistant and has an oil content of 30-40 percent. The website notes that in 2008, jatropha was used in a 50/50 blend with standard jet fuel to power a two-hour flight in New Zealand. A by-product of jatropha, jatropha cake, is used as fertilizer.

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